

Part 4

Warehouse Receipts and Bills of Lading - General Obligations

70A-7a-401 Irregularities in issue of receipt or bill or conduct of issuer.

The obligations imposed by this chapter on an issuer apply to a document of title even if:

- (1) the document does not comply with the requirements of this chapter or of any other statute, rule, or regulation regarding its issuance, form, or content;
- (2) the issuer violated laws regulating the conduct of its business;
- (3) the goods covered by the document were owned by the bailee when the document was issued;
or
- (4) the person issuing the document is not a warehouse but the document purports to be a warehouse receipt.

Enacted by Chapter 42, 2006 General Session

70A-7a-402 Duplicate document of title -- Overissue.

A duplicate or any other document of title purporting to cover goods already represented by an outstanding document of the same issuer does not confer any right in the goods, except as provided in the case of tangible bills of lading in a set of parts, overissue of documents for fungible goods, substitutes for lost, stolen, or destroyed documents, or substitute documents issued pursuant to Section 70A-7a-105. The issuer is liable for damages caused by its overissue or failure to identify a duplicate document by a conspicuous notation.

Enacted by Chapter 42, 2006 General Session

70A-7a-403 Obligation of bailee to deliver -- Excuse.

- (1) A bailee shall deliver the goods to a person entitled under a document of title if the person complies with Subsections (2) and (3), unless and to the extent that the bailee establishes any of the following:
 - (a) delivery of the goods to a person whose receipt was rightful as against the claimant;
 - (b) damage to or delay, loss, or destruction of the goods for which the bailee is not liable;
 - (c) previous sale or other disposition of the goods in lawful enforcement of a lien or on a warehouse's lawful termination of storage;
 - (d) the exercise by a seller of its right to stop delivery pursuant to Section 70A-2-705 or by a lessor of its right to stop delivery pursuant to Section 70A-2a-526;
 - (e) a diversion, reconsignment, or other disposition pursuant to Section 70A-7a-303;
 - (f) release, satisfaction, or any other personal defense against the claimant; or
 - (g) any other lawful excuse.
- (2) A person claiming goods covered by a document of title shall satisfy the bailee's lien if the bailee so requests or if the bailee is prohibited by law from delivering the goods until the charges are paid.
- (3) Unless a person claiming the goods is a person against which the document of title does not confer a right under Subsection 70A-7a-503(1)(a):
 - (a) the person claiming under a document shall surrender possession or control of any outstanding negotiable document covering the goods for cancellation or indication of partial deliveries; and

- (b) the bailee shall cancel the document or conspicuously indicate in the document the partial delivery or the bailee is liable to any person to which the document is duly negotiated.

Enacted by Chapter 42, 2006 General Session

70A-7a-404 No liability for good-faith delivery pursuant to document of title.

A bailee that in good faith has received goods and delivered or otherwise disposed of the goods according to the terms of a document of title or pursuant to this chapter is not liable for the goods even if:

- (1) the person from which the bailee received the goods did not have authority to procure the document or to dispose of the goods; or
- (2) the person to which the bailee delivered the goods did not have authority to receive the goods.

Enacted by Chapter 42, 2006 General Session